



CALIFORNIA STRATEGIC GROWTH PLAN

FLOOD CONTROL,
WATER SUPPLY &
CONVEYANCE

JANUARY 2008

The California
Department of
Water Resources

FLOOD CONTROL AND WATER SUPPLY

As a result of the Governor's emergency declaration for California's levee system in February 2006 and funding provided by the Legislature in the 2006-07 Budget, key repairs to 33 critical erosion sites protecting Central Valley communities were completed in record time. The state is now advancing funds and working with the federal government to repair 71 additional levee erosion sites damaged in the floods of 2006. An unprecedented effort to evaluate 350 miles of urban levees and 1,250 miles of non-urban levees for hidden defects has begun, and the state is leading a coordinated effort involving federal and local agencies to avoid a major flood disaster in California.

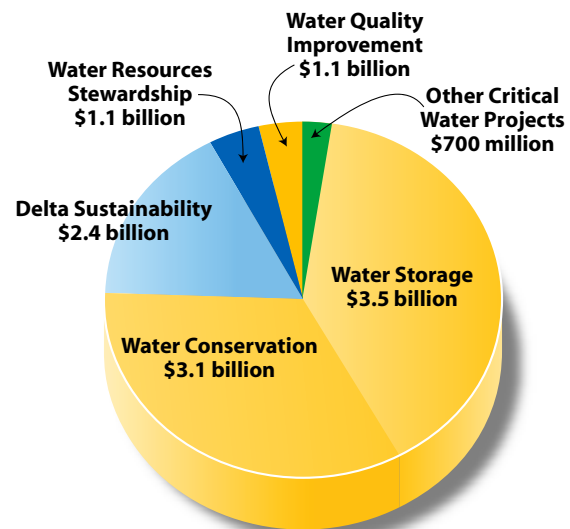
In 2005, the Administration published the California Water Plan Update, which called for implementation of two initiatives to ensure reliable water supplies: integrated regional water management and improved statewide water management systems. In January 2005, eight months before Hurricane Katrina flooded New Orleans, the Governor issued *Flood Warnings: Responding to California's Flood Crisis*, calling for a variety of flood management improvements and reforms to reduce the potential for such disasters in California. In 2006, the Administration published *Progress on Incorporating Climate Change Into Management of California's Water Resources*, the first detailed analysis of the effects that climate change is expected to have on water and flood management in the state.

The infrastructure package approved by the voters in November 2006 includes \$4.59 billion for levee repair and flood management (Proposition 1E) and approximately \$1.5 billion for integrated regional water management, including wastewater recycling, groundwater storage, conservation, and other water management actions (Proposition 84). Together, these investments provide substantial funding to address California's flood and water management challenges. Two critical areas remain unaddressed that are vital to ensuring California has reliable water supplies to cope with the effects that climate change will have on water supply and flood protection: storage and conveyance.

SGP Proposes 2008 Bond Measure of \$11.9 Billion

California must expand its water management and delivery system, including surface storage, groundwater storage and conveyance facilities. In this phase of the Strategic Growth Plan, the Administration proposes a total of \$11.9 billion general obligation bonds through 2016. The proposal consists of the following parts:

- **Water Storage—\$3.5 billion.** This funding will be dedicated to the development of additional storage, which, when combined with the Regional Water Management investments of Proposition 84 and the flood system improvements of Proposition 1E, will help to offset the climate change impacts of reduced snow pack and higher flood flows. Eligible projects for this funding include the surface storage projects identified in the CalFed Bay-Delta Program Record of Decision (excluding the expansion of Shasta Reservoir); groundwater storage projects and groundwater contamination prevention or remediation projects that provide water storage benefits; conjunctive use and reservoir reoperation projects; and regional and local surface storage projects that improve the operation of water systems in the state and provide public benefits.



In addition to this increased water supply, the projects will provide other benefits, such as enhanced flood management capability, improved Delta water quality and improved wildlife habitat. The costs of new water storage would be shared between state taxpayers and non-state water suppliers. The state would provide up to 50 percent of total costs, funded with general obligation bonds. The state's share reflects the statewide benefits of flood control, ecosystem restoration and water quality improvement. The non-state portion would be funded by the water suppliers who would benefit from the new storage.

- **Delta Sustainability-\$2.4 billion.** Leveraging anticipated federal and local funding sources, this funding will be dedicated to implementing a sustainable resource management plan for the Delta consistent with the Bay Delta Conservation Plan currently in development and the findings of the Delta Blue Ribbon Task Force. To assure the reliability of the state's major water supply systems, investments will be made in improving water conveyance, water quality, the Delta ecosystem and Delta levees. These investments will reduce the seismic risk to water supplies derived from the Delta, protect drinking water quality and reduce conflict between water management and environmental protection.
- **Water Resources Stewardship-\$1.1 billion.** This funding will support implementation of Klamath River issues, provide for elements of Salton Sea restoration identified in the Salton Sea Restoration Act and related legislation enacted in 2003, contribute to restoration actions on the San Joaquin River, and supplement successful restoration projects on the Sacramento River and its tributaries, as well as in the Delta.
- **Water Conservation-\$3.1 billion.** This funding will augment \$1 billion in funding provided by Proposition 84 and support the Integrated Regional Water Management (IRWM) program. IRWM is designed to encourage integrated regional strategies for management of water resources that will protect communities from drought, protect and improve water quality and improve local water security by reducing dependence on imported water. The proposed funding will provide targeted water conservation grants to local communities that coordinate the planning of their shared water resources. These investments in water conservation will increase water use efficiency and protect water quality, and will reduce energy use, urban and agricultural runoff, and urban effluent.
- **Water Quality Improvement-\$1.1 billion.** This funding will support efforts to reduce the contamination of groundwater used for drinking water supplies, assist local community wastewater treatment projects, provide grants for storm water management projects, and help the Ocean Protection Council protect and improve water quality in areas of special biological significance.
- **Other Critical Water Projects-\$700 million.** This funding will provide \$250 million for grants and loans for water recycling projects to enhance regional water self-sufficiency. In addition, this funding will provide \$150 million to restore hillsides and other areas devastated by fire and to prevent future watershed damage from wildfires. Lastly, the funding will provide \$300 million to remove fish barriers on key rivers and streams, including removal of obsolete dams.

Accomplishments to Date

- The Department of Water Resources (DWR) has completed repairs at 102 critical levee sites identified under the Governor's 2006 emergency declaration, with eight additional critical sites targeted for completion by summer 2008.
- Critical repairs have also been completed on locally owned and maintained levees in Santa Barbara, Yolo and Glenn counties through grants awarded under the emergency declaration.
- DWR is currently evaluating approximately 350 miles of urban project levees and in spring 2008 will begin evaluating approximately 1,250 miles of non-urban project levees in the Central Valley.

- Delta emergency response preparations, a \$12 million investment, are underway to stockpile flood-fight materials in key Delta locations and to improve Delta emergency response plans.
- Ongoing local improvements to state-federal project levees in Natomas, Wheatland, Sutter County and Plumas Lake near Marysville are expected to be funded in early 2008 through bond funds awarded for Early Implementation Projects. A second cycle of Early Implementation Program funding is targeted for this spring.
- The state, in cooperation with federal and local partners, will initiate a study of Central Valley flood protection, a unique effort that includes study areas that do not have state/federal project levees.
- Other studies are underway in Lathrop/Stockton, Sacramento, West Sacramento and Sutter County to evaluate current and potential flood projects. In addition, the state is moving forward with the United States Bureau of Reclamation (USBR) and the U.S. Army Corps of Engineers to construct the Folsom Dam Joint Federal Project. USBR initiated excavation of the new spillway in November 2007.

FLOOD CONTROL/WATER SUPPLY

(dollars in billions)

	Amount	TOTAL
Proposed New Bonds		\$11.9
• <i>General Obligation Bonds</i> —to improve regional water supply reliability and to support interregional water management.	3.1	
• <i>General Obligation Bonds</i> —to provide for Delta sustainability.	2.4	
• <i>General Obligation Bonds</i> —to provide for statewide water system operational improvements.	3.5	
• <i>General Obligation Bonds</i> —to promote conservation and watershed stewardship	1.1	
• <i>General Obligation Bonds</i> —to improve groundwater protection and water quality.	1.1	
• <i>General Obligation Bonds</i> —to support other critical projects.	0.7	
Existing Funding Sources:		\$14.2
• <i>General Obligation Bonds</i> —Propositions 1E and 84.	6.4	
• <i>Federal Funds</i> —federal share of the cost of projects.	2.4	
• <i>Local match</i> —local share of the cost of projects.	5.4	
New Funding Sources:		\$26.6
• <i>Federal Funds</i> —federal share of the cost of projects.	5.3	
• <i>Local match</i> —local share of the cost of projects.	21.3	
Total all funding sources		\$52.7